

**OVERSIGHT BOARD TO THE FORMER
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
STAFF REPORT**

DATE: JULY 16, 2014

TO: THE HONORABLE CHAIR AND BOARD MEMBERS

FROM: EXECUTIVE DIRECTOR

SUBJECT: THE NEWLY CREATED HOUSING SUCCESSOR

BACKGROUND

Upon the dissolution of the Community Redevelopment Agency on February 1, 2012 pursuant to AB X1 26, the Successor Agency to the Community Redevelopment Agency (the “Successor Agency”) was constituted. Pursuant to Health and Safety Code Section 34176(a), the City Council of the City of Compton, adopted Resolution No. 23,498 electing for the City to retain the housing assets and functions previously performed by the former Community Redevelopment Agency. Health and Safety Code Section 34176(e) defines “housing asset” as any loan or grant receivables, funded from the Low and Moderate Income Housing Fund (the “LMIH Fund”) to provide assistance to qualified homebuyers and homeowners within the jurisdictional boundaries of the Agency.

STATEMENT OF ISSUE

On August 1, 2012, the City of Compton, acting as the Housing Successor Agency, submitted an oversight board-approved Housing Transfer Form (attached) to California Department of Finance. On April 9, 2014, DOF issued its determination letter approving transfer of the certain housing assets (vacant parcels and loan/grant receivables) to the Successor Housing Agency. Housing Assets in the LMIHF fund means: (a) any funds encumbered by an enforceable obligation to build or acquire low-and moderate income housing; and (b) any loan or grant receivable, funded from the low and moderate income housing that require occupants by persons of low or moderate

The transfer of housing assets to Housing Successor Agency enables the City to use bond funds and other housing assets in the Low and Moderate Income Housing Fund (the “LMIH Fund) to expand affordable housing programs in the community as follows:

A. TRANSFER OF REAL PROPERTY

Based on the DOF Letter of Determination regarding the Housing Asset Transfer List, the following vacant parcels were approved as housing assets to be transferred to the Housing Successor Agency for housing development purposes:

Description	Type	APN	Source of Funds
16208-16216 S. Atlantic	Vacant Land	7301-002-016	Bond Proceeds
16208 S. Atlantic Ave	Vacant Land	7301-002-017	Bond Proceeds
16216 S. Atlantic	Vacant Land	7301-002-014	Bond Proceeds
1436 W. Compton	Vacant Land	6142-006-009	Bond Proceeds
950 W. Alondra Ave	Vacant Land	6141-013-007	Bond Proceeds
1950 N. Central Ave	Vacant Land	6145-003-026	Bond Proceeds
930 W. Compton Blvd	Vacant Land	6179-001-002	Bond Proceeds
1716 E. Rosecrans	Vacant Land	6184-002-902	Bond Proceeds
409 N. Alameda	Vacant Building	6166-010-032	Bond Proceeds

ANALYSIS

The Agency purchased the above vacant land parcels with 2010 tax allocation bond proceeds Series “A” Housing funds for development of moderate income residential projects. The proceeds from the sale of the housing asset parcels will be retained by Housing Successor Agency to expand homeownership opportunities in the community. Additionally, a portion of the Agency’s 2010 tax allocation bond proceeds have been set aside to provide down payment assistance to the homebuyers of the completed homes. These funds have been identified in the Successor Agency’s Due Diligence Review (DDR) Report – Housing Funds as “Restricted funds” meaning the funds will stay within the jurisdictional boundaries of the City. To ensure continuous affordability of the homes, the Agency will place affordability restrictions on these developments.

RECOMENDATION:

Staff recommends the Board receive and file this report

DR. KOFI SEFA-BOAKYE
MANAGER

APPROVED FOR FORWARDING:

G. HAROLD DUFFEY
EXECUTIVE DIRECTOR